GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1050
ANSWERED ON:28.11.2006
TOBACCO DEVELOPMENT BOARD
Rao Shri Sambasiva Rayapati

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether FCV tobacco in the country is being produced over and above the crop size fixed by the Tobacco Board during 2006-07;

(b) if so, the details thereof;

(c) whether the Government proposes to set up Tobacco Development Board to help the tobacco growers in the country and fix minimum guaranteed price of tobacco; and

(d) if so, the details thereof alongwith the status of the expert committee likely to be constituted for the tobacco growers?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JAIRAM RAMESH)

(a)&(b) The crop size for Flue Cured Virginia (FCV) tobacco fixed for 2006-07 crop season is 242.4 million kgs inclusive of 10% quantity as the nature`s bounty. Plantations in Andhra Pradesh are in progress and it is not possible to assess the estimated crop. The auctions are in progress in Karnataka.

(c)&(d) There is no proposal for setting up of a Tobacco Development Board under consideration of the Government. The minimum guaranteed price (MGP) is an average price assured by the trade to the farmers and is purely voluntary. The trade has stopped announcing the MGP. The concept has lost its relevance as in spite of increase in production growers are getting much higher prices.